

Community resources

[Follow us on Twitter](#) [Check our Reddit](#) [Twitter this](#) [Digg this page](#) [Contact us on IRC](#)

courage is contagious

Viewing cable 06MANAGUA2616, A/S SHANNON'S MEETING WITH BUSINESS LEADER KRUGER

If you are new to these pages, please read an introduction on the [structure of a cable](#) as well as how to [discuss them](#) with others. See also the [FAQs](#)

Understanding cables

Every cable message consists of three parts:

- The top box shows each cables unique reference number, when and by whom it originally was sent, and what its initial classification was.
- The middle box contains the header information that is associated with the cable. It includes information about the receiver(s) as well as a general subject.
- The bottom box presents the body of the cable. The opening can contain a more specific subject, references to other cables ([browse by origin](#) to find them) or additional comment. This is followed by the main contents of the cable: a summary, a collection of specific topics and a comment section.

To understand the justification used for the classification of each cable, please use this [WikiSource](#) article as reference.

Discussing cables

If you find meaningful or important information in a cable, please link directly to its unique reference number. Linking to a specific paragraph in the body of a cable is also possible by copying the appropriate link (to be found at the paragraph symbol). Please mark messages for social networking services like Twitter with the hash tags **#cablegate** and a hash containing the reference ID e.g. **#06MANAGUA2616**.

Reference ID	Created	Released	Classification	Origin
06MANAGUA2616	2006-12-01 21:01	2011-08-30 01:44	CONFIDENTIAL	Embassy Managua

Appears in these articles:

<http://www.nacion.com/2011-05-30/Mundo/NotasSecundarias/Mundo2758456.aspx>
<http://www.nacion.com/2011-05-30/Mundo/NotasSecundarias/Mundo2758467.aspx>
<http://www.nacion.com/2011-05-30/Mundo/NotasSecundarias/Mundo2758468.aspx>
<http://www.nacion.com/2011-05-30/Mundo/NotasSecundarias/Mundo2758464.aspx>
<http://www.confidencial.com.ni/articulo/4103/la-embusa-y-el-gabinete-de-ortega>
<http://www.confidencial.com.ni/articulo/4104/d-rsquo-escoto-en-onu-ldquo-un-desafio-de-ortega-a-ee-uu-rdquo>
<http://www.confidencial.com.ni/articulo/4102/estrada-y-la-ldquo-doble-cara-rdquo-ante-ee-uu>
<http://www.confidencial.com.ni/articulo/3966/la-ldquo-injerencia-rdquo-de-ee-uu-en-el-2006>
<http://www.nacion.com/2011-05-23/Mundo/Relacionados/Mundo2758764.aspx>
<http://www.nacion.com/2011-05-23/Mundo/NotaPrincipal/Mundo2758753.aspx>
<http://www.confidencial.com.ni/articulo/4041/millones-de-dolares-sin-control-y-a-discrecion>
<http://www.confidencial.com.ni/articulo/4040/la-ldquo-injerencia-rdquo-de-venezuela-en-2006>
<http://www.confidencial.com.ni/articulo/4047/rodrigo-barreto-enviado-de-ldquo-vacaciones-rdquo>
<http://www.nacion.com/2011-05-16/Mundo/NotasSecundarias/Mundo2757239.aspx>
<http://www.nacion.com/2011-05-16/Mundo/NotaPrincipal/Mundo2746658.aspx>
<http://www.nacion.com/2011-05-16/Mundo/Relacionados/Mundo2757244.aspx>
<http://www.nacion.com/2011-05-16/Mundo/Relacionados/Mundo2746673.aspx>
<http://www.confidencial.com.ni/articulo/3991/dra-yadira-centeno-desmiente-cable-diplomatico-eeuu>
<http://www.confidencial.com.ni/articulo/3968/pellas-pronostico-a-eeuu-victoria-de-ortega-en-2006>
<http://www.confidencial.com.ni/articulo/3967/barreto-era-ldquo-fuente-confiable-rdquo-para-eeuu>

VZCZCXYZ0001
RR RUEHWEB

DE RUEHMU #2616 3352101
ZNY CCCCC ZZH
R 012101Z DEC 06
FM AMEMBASSY MANAGUA
TO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE
INFO RUEHC/SECSTATE WASHDC 8334
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RUCPDOG/DEPT OF COMMERCE WASHINGTON DC

C O N F I D E N T I A L MANAGUA 002616

SIPDIS

SIPDIS

E.O. 12958: DECL: 11/29/2016
TAGS: [ECON](#) [KDEM](#) [PGOV](#) [PREL](#) [NU](#)
SUBJECT: A/S SHANNON'S MEETING WITH BUSINESS LEADER KRUGER

Classified By: Amb. Paul Trivelli for reasons 1.4 (b and d)

¶1. (U) Summary: On November 28, Assistant Secretary Thomas Shannon, Ambassador Paul Trivelli, and Nicaraguan business leader Erwin Kruger briefly discussed a broad spectrum of post-election business and political topics relevant to President-elect Ortega's upcoming presidency, including the frailty of Nicaragua's macroeconomic state; the need for stability through remittances, export expansion, observance of International Monetary Fund (IMF) guidelines and access to international donor funds; the impact of a corrupt judiciary on investor confidence and poverty reduction; and, the likelihood that Ortega will respect CAFTA. End Summary.

¶2. (C) A wide-ranging conversation with A/S Thomas Shannon and the Ambassador, President of Nicaragua's Private Enterprise Council (COSEP) Erwin Kruger, enumerated several issues likely to impact on President-elect Daniel Ortega's upcoming presidential tenure. These included:

--the frailty of Nicaragua's macroeconomic state and the importance of maintaining stability through remittances, export expansion, observance of International Monetary Fund (IMF) guidelines and access to international donor funds;

--the impact of a corrupt judiciary on investor confidence and poverty reduction;

--the likelihood that Ortega would respect CAFTA despite Venezuela's efforts to promote rupture between the U.S. and Nicaragua; tradeoffs required while trying to protect vulnerable sectors; other-than-CAFTA markets such as the European Union; ALBA (Venezuela's counter-offer to CAFTA); Mercosur, India and China;

¶3. (SBU) Kruger announced that an investment forum jointly sponsored by government and social sectors will bring private sector entities, including COSEP members and the American Chamber of Commerce, to discuss "Investment for Nicaragua, 2007-2012: A Strategic Alliance for the Future." A/S Shannon suggested that the Council of the Americas be invited to the January 10-12 forum. He also recommended that the forum provide a corporate "first-hand look" for companies seeking business access and a perspective on democracy, stability, free trade agreements, and post-electoral political party stances. A/S Shannon characterized Nicaragua as a "country positioned to do well," predicting that President-elect Ortega will find a "table already set" for positive regional participation, barring a return to caudillo leadership.

¶4. (C) Kruger noted that Sandinist President-elect Jaime Morales Carazo as the "best chameleon you can find." Kruger underscored the new administration's

acknowledgment of its base, the perils of mismanaging mandates, and the need to develop electricity. Finally, he agreed with our engagement strategy regarding Ortega, saying, "Ortega should get an early message that the United States can be a friend."

¶5. (U) Participants:

Nicaragua:

COSEP President Erwin Kruger

U.S.:

A/S Thomas Shannon

Ambassador Paul Trivelli

Econoff Grace Brunton (notetaker)

¶6. (U) Assistant Secretary Thomas Shannon cleared on this cable.

TRIVELLI